

## **FINAL MINUTES**

### **COMMITTEE FOR PURCHASE FROM PEOPLE WHO ARE BLIND OR SEVERELY DISABLED**

Thursday, January 12, 2006

Arlington, VA

Mr. Steve Schwalb, Committee Chairperson, called the meeting to order at 9:00 am. In accordance with Committee policy, he asked attendees to introduce themselves.

#### **I. Awards**

Five members of the Committee Staff were recognized for reaching milestones in their Federal government careers. Mr. Schwalb presented Joan Smith, Janice Coleman, Janet Yandik, Helen Black and Patrick Rowe with certificates. The awardees represented a combined total of 135 years of service.

#### **II. Consideration of Minutes – November 10, 2005**

Mr. Schwalb asked the members if they had any changes; Ms. Angela Phifer, Committee staff, said there were none. A motion was made by Ms. Sandra Sieber, Department of the Army, that the minutes be adopted. The motion received a second from Mr. Rick Beaman, Air Force, and was adopted by unanimous vote.

#### **III. Fedcap Presentation**

During the November 10, 2005 Committee meeting, Mr. Schwalb asked that the practice of inviting nonprofit agencies to speak at meetings, be reinstated. He said that the first presentation would be given by a NISH-affiliated nonprofit agency and that the next time NIB would select an agency.

Ms. Susan Fonfa, Executive Director and Steven Coons, Director of Building Services gave a 30-minute presentation on Fedcap, located in New York, NY. First, Ms. Fonfa gave the history of Fedcap which was founded 70 years ago by World War I veterans. Ms. Fonfa said that Fedcap has a traditional approach of helping people with disabilities figure out what they are capable of doing and then provides them with the necessary training to make them successful.

Next Ms. Fonfa described Fedcap's Rehabilitation Services which provides individual counseling and job placement. Fedcap opened a Career Design School in 2000, which is a licensed business and trade school that provides comprehensive vocational services. Ms. Fonfa talked in detail about Fedcap's four business divisions: office services, industrial services, home health care, and building services.

Mr. Coons reported on the new business model, Fedcap Mechanical Maintenance and its three pathways to employment: direct employment under the contract, promotion from JWOD Contract to jobs with subcontractors, and direct hire by subcontractors from Fedcap training programs. Under this program Fedcap develops RFPs for subcontractors.

Mr. Wilson asked Ms. Fonfa if she envisions a time when subcontractors will hire some people from the program. She responded that it is already happening except for mechanical maintenance.

Ms. Fonfa said that Fedcap has two methods of improving performance within specific lines of business to protect the integrity of the JWOD Program which are the Center of Excellence Program and Custodial Certification. Mr. Wilson commented that NISH is doing an incredible job with the certification program standards. Mr. Houghton added that he has worked with Ms. Fonfa and believes Fedcap is one of the leading NISH agencies. Mr. Houghton then asked some questions about wages which Ms. Fonfa responded to. Next, Mr. Robert Kelly, Private Citizen asked Ms. Fonfa about the biggest hurdle she has had to face. She said that the results of background investigations are becoming a problem because she cannot place people who have been in rehabilitation programs with criminal backgrounds.

#### **IV. 2005 NIB & NAEPB Employee Opinion Survey**

Mr. John Peoples, NIB Board of Directors, gave a presentation on results from the 2005 NIB & NAEPB Employee Opinion Survey. The survey focused on job satisfaction and employee engagement. Mr. Peoples presented the methodology used and the overall results. He said the results were very favorable with 85% of employees who were satisfied with their jobs.

The Committee members asked detailed questions about the survey which Mr. Peoples answered. Mr. Chamberlin said that NISH had also conducted a similar survey and he would be happy to make a presentation to the Committee.

#### **V. Updates**

##### **A. Ft. Carson/Goodwill**

Mr. John Heyer, the Committee's General Counsel, gave an update on the Ft. Carson/Goodwill case. He said the litigation is continuing, with a decision expected shortly on procedural motions filed by the parties, either prior to or at the scheduling conference the judge has ordered for January 26, 2006.

##### **B. Impact Special Vote Letter**

Mr. Patrick Rowe, Deputy Executive Director, announced that the special vote letter concerning impact procedural changes passed.

## **VI. Branding Initiative**

Ms. Kimberly Zeich, Committee staff, reported that in December 2005, with full participation, a majority of Committee members voted in favor of changing the JWOD Program name. She briefly addressed the next steps in the process. She noted that the Committee's selection of a new name is the key milestone for the subsequent major tasks, including the transition plan and eventual implementation of the new program identity.

## **VII. Committee Budgetary Guidance to CNAs**

Mr. Wilson provided Committee members with a copy of the letter establishing the Committee's guidance to the CNAs for preparing their FY 2007-2008 budgets. Mr. Houghton reminded the CNAs and the Committee staff that the Finance and Information Management Subcommittee recommended that they meet for discussions. Mr. Rowe informed him that a meeting took place a couple of weeks ago involving Elizabeth Goodman, NISH and Steve Brice, NIB and members of the Committee staff.

## **VIII. Randolph-Sheppard and the JWOD Program**

Mr. Beaman discussed legislation affecting the JWOD program that was part of the FY 06 National Defense Authorization Act (NDAA) that was recently signed by the President. Section 848 of the FY 06 NDAA includes provision for the Secretary for Defense, Secretary of the Department of Education (DOE), and the Chair of the President's Committee to issue a joint policy statement regarding the implementation of the Randolph-Sheppard Act and the JWOD Act as they relate to both the operation and management of military dining facilities. In addition, it requires a report be submitted to several Congressional Committees with description of the joint policy as well as any findings and recommendations. Both the joint policy statement and the report to Congress are due by April 1, 2006. Section 848 also extended, for one year, the provisions in Section 853 of the FY 05 NDAA. Mr. Beaman advised that the DoD lead for this effort has already contacted DOE and the Committee staff to arrange a first meeting of the parties.

The members of Committee's previous RSA/JWOD ad hoc working group were: Mr. Beaman (Chair), Mr. Omvig, Ms. Sieber, Mr. Houghton and Ms. Wilson (former Committee member).

Mr. Omvig indicated that he hoped that what had been previously developed not by the ad hoc working group but at a separate meeting, which included Lee Wilson and John Heyer of JWOD, Joanne Wilson and Suzanne Mitchell from the Department of Education, Tony Young and others from NISH, and Jim Gashel and the blind vendors would be used as a starting point for the joint policy statement. Mr. Wilson pointed out that DoD did not participate in the earlier discussions, but he assumed that some of what the ad hoc working group had would be helpful. Mr. Omvig expressed concern that the

“negotiated” agreement that had been developed should not be ignored. Mr. Houghton questioned whether there had actually been a negotiated agreement – but rather that it was mostly a discussion of what had been drafted. Ms. Suzanne Mitchell, Department of Education, indicated that she recalled that there was a document drafted by Mr. Heyer for the Committee and an agreement had been reached. Mr. Beaman clarified that although the draft document had been discussed at length at a meeting; no final agreement was produced or voted on by the ad hoc committee.

Mr. Omvig asked how the process for developing the policy statement and report would work. Mr. Beaman explained that the initial meetings and drafting will be done by staff from all three organizations. A proposed document would then be reviewed by the ad hoc working group with a recommendation then going before the full Committee. This will have to be processed on a fast track basis since there is not much time before the suspense date for policy statement and report.

## **IX. 2005 Data Overview**

Mr. Lou Bartalot, Committee staff, gave an overview of FY 2005 JWOD Program Performance data. His presentation was brief due to time constraints. He did a synopsis of the FY 2005 results, detailed the top 10 nonprofit agencies, and reported on wages, hours, sales, promotions and placements.

There were some questions from Committee members regarding wages. Mr. Beaman asked if NIB could give a breakdown of services and products. Dan Abatemarco, NIB, responded in the affirmative. Mr. Schwalb reminded the CNAs about his request from the last meeting on giving information on the number of employees who do not receive the Federal minimum wage, what wage they receive, and the nature of their disability. Mr. Chamberlin, NISH, said that 16.6% of the total agencies are below the Federal minimum wage of \$5.15. Mr. Gibbons, NIB said it is NIB’s position that blindness should not be a factor towards minimum wage.

Mr. Schwalb asked that the minimum wage issue be part of the agenda for the Strategic Plan. Mr. Omvig asked what the cost be to bring everyone up to the minimum wage. Mr. Beaman suggested that agencies like FedCap come in and report how they are able to accommodate high wages (theirs being the third highest agency).

Mr. Bartalot then discussed overall and JWOD ratios for the year. He also reported on the nonprofit agencies that did not meet the 75 percent requirement and said they would come before the Committee in March. Mr. Wilson asked Mr. Bartalot to remind everyone of the 2007 deadline when the JWOD ratio requirement will change.

Mr. Houghton asked if Hurricanes Katrina and Rita had a major impact on the numbers. Mr. Chamberlin responded that there was impact, but not massive.

## **X. Strategic Planning Process**

Ms. Sheryl Kennerly, Committee staff, reported on the planning of a two-day retreat in April 2006 for the Strategic Plan update. The dates proposed were April 12 and 13. The staff recommended that the sessions be held at a local hotel in Crystal City and that a working lunch be planned. Ms. Kennerly said the staff could also plan an informal dinner for Wednesday night based on the interest of the participants.

Ms. Kennerly said the participants should include Committee members, Board representation from the CNAs, CNAs Senior Staff, Committee Senior Staff, Key Liaisons and Government customer representatives. Next, she outlined the proposed agenda.

Mr. Schwalb told those who were not present during the last retreat that it was an incredibly good use of time and that it was very well received. He urged everyone to find time on their calendars to participate because their input is valuable to the process. He also endorsed having the retreat offsite.

It was suggested that the CNAs solicit input from the field during the preplanning stage. Mr. Schwalb said the CNAs should take the initiative to get input from the field.

Mr. Steve Burnett, DSCP-Philadelphia, made a motion that the offsite retreat be scheduled for April 12-13, 2006. The motion received a second from Mr. Beaman and was adopted by unanimous vote. Mr. Schwalb said that the attire should be business casual.

There was a discussion of other people attending such as representatives from the largest government customers like DSCP, DeCA, and GSA. Mr. Houghton asked if JWOD employees should be included. Mr. Day requested that an expert from the disability community be invited. Mr. Houghton asked Mr. Day to join the Business Development Subcommittee Workforce Development team. Admiral Stone stated that the participants who attend should be those who are able to help accomplish the established goals of the two-day retreat.

Ms. Kennerly said that the structure will be based on 2005 results and data. The performance measures and targets will be looked at to see what was met and what wasn't and to validate the goals and objectives as we move forward to 06 and 07. Mr. Schwalb said he was reluctant to add more people to the group, but asked members to submit a list of potential presenters to the staff.

## **XI. Public Hearings Related to NPA Governance and Executive Compensation Rulemaking**

Mr. Schwalb stated that there would be 10 Committee members attending the first public hearing at the Marriott in Crystal City. He thanked them and said he looked forward to a good turnout of participation in Dallas and San Francisco.

## **XII. CNA Reports**

### **NIB**

Mr. Jim Gibbons, President and CEO/NIB, reported that last year NIB developed a new employment retention/growth reward program. He said the results for 2005 show that 32 agencies will receive the reward either because they retained or grew their JWOD blind direct labor hours. These agencies will receive the reward either because they retained or grew their JWOD blind direct labor hours. He added that these agencies will receive between \$750-\$94,000 depending on their employment performance. The program is being modified for FY 2006 and will now include a component for upward mobility and placements as well.

Next, Mr. Gibbons reported that NIB is finalizing the results of a demographics survey it conducted using random sampling methodology with 81% response rate. He said the results should be finalized by the end of the month.

Finally, Mr. Gibbons reported that the second round of the Business Leaders Program is underway.

### **NISH**

Mr. Robert Chamberlin, President/CEO, NISH, announced that the NISH National Training Conference would be held April 30 – May 2, 2006 in Chicago, IL.

Mr. Chamberlin reported that the NISH Board met and there were a lot of items approved by them. He mentioned two things under Sarbanes-Oxley that were instituted. The first is a new whistleblower system and policy and the second was document retention. They were both approved.

Secondly, he said there was a lot of discussion pertaining to some of the discussions held at today's meeting. He said NISH has proposed the creation of an institute that would help reduce or eliminate barriers to employment for people with disabilities. He said it would address the needs of the underemployed and the unemployed by targeting productivity, wages, asset management and growth. Mr. Houghton asked how soon NISH would be able to share vital information with the Committee. Mr. Chamberlin said he believed it could be done in a reasonable timeline after followup meetings. He said the Board will meet during the first or second week in March.

## **XIII. New Business**

Mr. Schwalb mentioned that there was a great interview with Dr. Grizzard in the Federal Times. After determining there was no further business, Mr. Schwalb adjourned the meeting at 12:45 pm and the Committee met for an Executive Session.

## **List of Attendees – January 12, 2006**

### **Committee Members**

Rick Beaman	Department of the Air Force
Steve Burnett	DLA – DSCP-Philadelphia
Osborne Day	Private Citizen
Andrew Houghton	Private Citizen
Robert Kelly	Private Citizen
Felipe Mendoza	GSA
James Omvig	(via telephone)
Steve Schwalb	Department of Justice/UNICOR/FPI
Sandy Sieber	Department of Army
Daniel Stone	Department of the Navy

### **Committee Staff**

Claudia Addison  
Louis Bartalot  
Connie Corley  
Janice Friedeborn  
Annmarie Hart-Bookbinder  
Robert Hartt  
John Heyer  
Stephanie Hillmon  
Sheryl Kennerly  
Stephanie Lesko  
Barry Lineback  
Steve Maguire  
Angela Phifer  
Patrick Rowe  
Leon Wilson  
Kimberly Zeich

### **NISH**

Robert Chamberlin  
Cathy Cooke  
Vic Dennis  
Dennis Fields  
Elizabeth Goodman  
Michael Mitchem  
Paul Plattner  
Michelle Reilly  
Jean Robinson  
Barbara Van Allen

## **List of Attendees – January 12, 2006 (Continued)**

### **NIB**

Dan Abatemarco  
Steve Brice  
James Gibbons  
Angela Hartley  
J.A. Yogi Mangual  
John Peoples, NIB Board  
Arun Shimpi

### **Government Representatives/Staffers**

Aaron Collmann	GSA
Dorothy Hindman	Department of the Army
Suzanne Mitchell	Department of Education
Mark Opilla	Department of the Navy
Barbara LaCoor	USDA
Vanessa Resler	Department of Education
Gerry Rottinghaus	Department of Veterans Affairs
Mike Spencer	USDA

### **Others**

Jessica Abrahams	McKenna Long & Aldridge
Doug Allen	Goodwill Industries International
Steven Coons	FedCap
Christina Davis	BISM
Susan Fonfa	FedCap
Adele Gasparro	ORC Industries
Bill Hudson	LC Industries
Jim Hughes	Georgia Industries for the Blind
Marc Kilmer	Accses
Jeffrey Kosseff	The Oregonian
Linda Merrill	Envision/NAEPB
Stephen Patterson	Susquehanna Association for the Blind
Becky Roberts	Catoctin Consulting
Mike Stephens	Envision
Lauren White	Oklahoma League for the Blind
Kent Wilson	Envision
Nicole Yost	Accses